

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**  
HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

00 - 23

2. STATE:

NC

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 2000

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☒ AMENDMENT TO BE CONSIDERED AS NEW PLAN☐ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 441.151 42 CFR 447.325

7. FEDERAL BUDGET IMPACT:

a. FFY 01 \$ 7,288,166.72

b. FFY 02 \$ 7,379,268.91

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Appendix 2 to Attachment 3.1-A Page 1  
Attachment 3.1-B page 6; and Attachment  
4.19-B, Section 16 page 1\*Attachment 3.1-A page 7; Attachment 4.19-A page  
329. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):Appendix 2 to Attachment 3.1-A Page 1,  
Attachment 3.1-B page 6; and Attachment  
4.19-B, Section 16 page 1

10. SUBJECT OF AMENDMENT:

Inpatient psychiatric facility services

GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

H. David Bruton, MD

14. TITLE:

Secretary

15. DATE SUBMITTED:

December 21, 2000

16. RETURN TO:

Office of the Secretary  
Department of Health & Human Services  
2001 Mail Service Center  
Raleigh, North Carolina 27699-2001

## FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

December 29, 2000

18. DATE APPROVED:

August 1, 2001

## PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

October 1, 2000

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Eugene A. Cranner

22. TITLE: Associate Regional Administrator  
Division of Medicaid and State Operations

23. REMARKS:

\* State Agency authorized "pen and ink" additions to State Plan amendment pages.

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE  
AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

- 15.a. Intermediate care facility services (other than such services in an institution for mental diseases) for persons determined, in accordance with section 1902(a)(31)(A) of the Act, to be in need of such care.

☒ Provided: ☐ No limitations ☒ With limitations\*  
☐ Not provided.

- b. Including such services in a public institution (or distinct part thereof) for the mentally retarded or persons with related conditions.

☒ Provided: ☐ No limitations ☒ With limitations\*  
☐ Not provided.

16. Inpatient psychiatric facility services for individuals under 21 years of age.

☒ Provided: ☐ No limitations ☒ With limitations\*  
☐ Not provided.

Definition of services described in Appendix 2 to Attachment 3.1-A, page 1.

17. Nurse-midwife services.

☒ Provided: ☐ No limitations ☒ With limitations\*  
☐ Not provided.

18. Hospice care (in accordance with section 1905(o) of the Act).

☒ Provided: ☒ No limitations ☐ With limitations\*  
☐ Not provided.

\*Description provided on attachment.

Inpatient psychiatric facility services for individuals under 21 years of age.

- DEFINITION:** Inpatient psychiatric services for recipients under age 21 must be provided by a psychiatric facility or an inpatient program in a psychiatric facility that meets the following:
- (1) A psychiatric hospital or an inpatient psychiatric program in a Hospital, accredited by the Joint Commission on Accreditation of Healthcare Organizations, or
  - (2) A psychiatric facility which is accredited by the Joint Commission on Accreditation of Healthcare Organizations, or the Council on Accreditation of Services for Families and Children, or the Commission on Accreditation of Rehabilitation Facilities.
- These services are provided before the recipient reaches age 21 or, if the recipient was receiving the services immediately before he reached age 21, before the earlier of the following:
- (1) The date he no longer requires the services; or
  - (2) The date he reaches age 22.

TN No. 00-23  
Supercedes  
TN No. 90-21

Approval Date AUG 01 2001 Effective Date 10/01/00

State/Territory: North Carolina

AMOUNT, DURATION AND SCOPE OF SERVICES PROVIDED  
MEDICALLY NEEDY GROUP(S): All

c. Intermediate care facility services.

   Provided:    No Limitations    With limitations\*\*

15.a. Intermediate care facility services (other than such services in an institution for mental diseases) for persons determined in accordance with section 1902(a)(31)(a) of the Act, to be in need of such care.

X Provided:    No Limitations X With limitations\*

b. Including such services in a public institution (or distinct art thereof) for the mentally retarded or persons with related conditions.

X Provided:    No Limitations X With limitations\*

16. Inpatient psychiatric facility service for individuals under 21 years of age.

X Provided:    No Limitations X With limitations\*

17. Nurse-midwife services.

X Provided:    No Limitations X With limitations\*

18. Hospice care (in accordance with section 1905(o) of the Act).

X Provided: X No Limitations    With limitations\*

\*Description provided on attachment.

State Plan Under Title XIX of the Social Security Act  
Medical Assistance Program  
State: North Carolina

Payments for Medical and Remedial Care and Services: Inpatient Hospital

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Inpatient psychiatric facility services for individuals under 21 years of age.

The Division of Medical Assistance will negotiate prospective facility rates with private and public providers of psychiatric residential treatment facility services. Said negotiated prospective rates shall be based on reasonable cost. Reasonable costs are determined by the Division of Medical Assistance based upon the standards set in the HCFA-15 Provider Reimbursement Manual.

The per diem rates shall be adjusted annually for inflation. Rates shall be updated annually by the National Hospital Market Basket Index as published by Medicare and applied to the most recent actual and projected cost data available from the North Carolina Office of State Budget, Planning and Management.

TN NO. 00-23  
Supersedes  
TN No. 90-17

Approval Date AUG 01 2001

Eff. Date 10/01/00

MEDICAL ASSISTANCE  
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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16. Inpatient psychiatric facility services for individuals under 21 years of age.

Described in Attachment 4.19 – A, Page 32 and Attachment 3.1 – A.1, page 17.

TN NO. 00-23  
Supersedes  
TN No. 90-17

Approval Date AUG 01 2001

Eff. Date 10/01/00